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BEFORE THE ARIZONA CORPORATION COMMISSION

CARL J. KUNASEK
CHAIRMAN-COMMISSIONER

JUN 16 4 43 PM '99

RENZ JENNINGS
COMMISSIONER

Arizona Corporation Commission

JIM IRVIN
COMMISSIONER

DOCKETED

DOCU. FILE LABEL

JUN 16 1999

IN THE MATTER OF THE APPLICATION OF
CITIZENS UTILITIES COMPANY FOR A

(1) APPROVAL OF THE AGREEMENT FOR

DOCKET NO. W-01032A-97-0599

THE VILLAGES AT DESERT HILLS WATER/
WASTEWATER INFRASTRUCTURE, AND

(2) APPROVAL OF FORMATION OF
SUBSIDIARIES.

IN THE MATTER OF THE APPLICATION OF
CITIZENS WATER SERVICES COMPANY OF

ARIZONA FOR (1) A CERTIFICATE OF
CONVENIENCE AND NECESSITY TO

DOCKET NO. SW-03454A-97-0599

PROVIDE POTABLE WATER AND WASTE-
WATER SERVICES TO THE VILLAGES AT

DESERT HILLS, (2) APPROVAL OF THE
AGREEMENT FOR THE VILLAGES AT

DESERT HILLS WATER/WASTEWATER
INFRASTRUCTURE, AND (3) APPROVAL

OF THE WATER/WASTEWATER PURCHASE
AGREEMENT.

IN THE MATTER OF THE APPLICATION OF
CITIZENS WATER RESOURCES COMPANY

OF ARIZONA FOR (1) A CERTIFICATE OF
CONVENIENCE AND NECESSITY TO

DOCKET NO. SW-03455A-97-599

PROVIDE POTABLE WATER AND WASTE-
WATER SERVICES TO THE VILLAGES AT

DESERT HILLS, (2) APPROVAL OF THE
AGREEMENT FOR THE VILLAGES AT

COMPLIANCE FILING AND
REQUEST FOR EXTENSION

DESERT HILLS WATER/WASTEWATER
INFRASTRUCTURE, AND (3) APPROVAL OF

THE WATER/WASTEWATER PURCHASE
AGREEMENT.

The Commission's June 19, 1998, Opinion and Order in these dockets required Citizens Water Services Company of Arizona and Citizens Water Resources Company of Arizona (collectively "Citizens") to submit copies of

1 certain documents within 365 days. Citizens submits the following documents to
2 comply with the Opinion and Order:

- 3 ♦ Exhibit A: Certificate of Assured Water Supply for the Anthem Project;
- 4 ♦ Exhibit B: Maricopa County Environmental Service Department's
- 5 Approvals to Construct the System; and
- 6 ♦ Exhibit C: Maricopa County Franchise for the Portion of the Anthem
- 7 Project within the Unincorporated County.
- 8

9 Citizens is negotiating with the City of Phoenix concerning the nature and
10 scope of the type of certificate or permit under which Citizens will operate in the
11 portion of the Anthem Project located within the Phoenix city limits ("Phoenix
12 Area"). The Phoenix Area is west of the I-17 expressway—approximately 905
13 acres of the Project's 5,661 total acres—and will not be built out as soon as the
14 area east of I-17 that is within the Maricopa-County-franchise area. For these
15 reasons Citizens asks for an additional six months to submit any franchises or
16 permits for the Phoenix Area. Citizens has discussed this request with
17 Commission Staff, who indicated that they did not object to the request.

18 Citizens believes that it has satisfied all the necessary requirements to
19 obtain a CC&N for the portion of the Project within the Maricopa-County-franchise
20 area. With the submission of any franchises or permits for the Phoenix Area
21 within the next six months, Citizens also expects to satisfy all necessary
22 requirements to obtain a CC&N for the Phoenix Area portion of the Project.

23 **Requested Relief.**

24 Citizens asks for an order:

- 25 1. Finding, effective June 16th 1999, that Citizens has satisfied the
26 requirements of the June 19th, 1998, Opinion and Order necessary to obtain a
27 CC&N for the portion of the Project within the Maricopa-County-franchise area;
28 and
- 29 2. Providing an additional six months to satisfy the requirements of the

1 June 19th, 1998, Opinion and Order necessary to obtain a CC&N for the portion of
2 the Project in the Phoenix Area.

3 RESPECTFULLY SUBMITTED on June 16, 1999.

4 

5 Craig A. Marks
6 Associate General Counsel
7 Citizens Utilities Company
8 2901 N. Central Avenue, Suite 1660
9 Phoenix, Arizona 85012
10

11 Original and ten copies of the foregoing
12 filed this 16th day of June, 1999 with:

13 Docket Control Division
14 Arizona Corporation Commission
15 1200 West Washington Street
16 Phoenix, Arizona 85007

17 Copies of the foregoing hand
18 delivered this 16th day of June, 1999 to:

19 Lyn Farmer
20 Hearing Division
21 Arizona Corporation Commission
22 1200 West Washington Street
23 Phoenix, Arizona 85007

24 Paul Bullis
25 Chief Counsel
26 Arizona Corporation Commission
27 1200 West Washington Street
28 Phoenix, Arizona 85007

29 Ray Williamson
Acting Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Scott Wakefield
Residential Utilities Consumer Office
2828 N. Central Avenue, Suite 1200

Phoenix, Arizona 85004

Sandra Sublett

Sandra Sublett
Administrative Assistant

STATE OF ARIZONA
DEPARTMENT OF WATER RESOURCES
CERTIFICATE OF ASSURED WATER SUPPLY

This is to certify that

The Villages at Desert Hills, Inc.
The Villages at Desert Hills--Phase 1.a. (DWR No. 27-300387)
Part of Sections 13, 14, 15, 22, 23, and 24, Township 6 North, Range 2 East G&SRB&M
Maricopa County
Phoenix Active Management Area

has demonstrated to the Arizona Department of Water Resources, in accordance with the requirements and procedures of A.R.S. §45-576 and the applicable regulations, that sufficient water of adequate quality will be continuously available to satisfy the water needs of the referenced subdivision for at least one hundred years. The aforementioned subdivision consists of 1253 lots as described in the preliminary plat on file with the Department which will be served Central Arizona Project water by the Citizens Water Services Company of Arizona.

This Certificate is invalid as to any successor in interest, assignee, or grantee of the owner indicated above. A subsequent owner of the property may apply for a new certificate pursuant to Rule R12-15-708, within 90 days of the change of ownership.

By powers vested in the Director of the Arizona Department of Water Resources by the State of Arizona, and subject to the conditions contained in the applicable regulations,

The Villages at Desert Hills, Inc.

is issued this certificate of Assured Water Supply for

The Villages at Desert Hills--Phase 1.a.



ARIZONA DEPARTMENT OF WATER RESOURCES

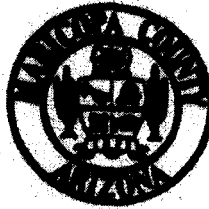
Joseph C. Smith

DIRECTOR

this 19th day of JUNE, 1998

ENVIRONMENTAL SERVICES
DEPARTMENT

Albert P. Brown, R.S., MPA, Director

1001 N. Central Ave., Suite 150
Phoenix, AZ 85004WATER AND WASTE MANAGEMENT
DIVISIONJohn A. Power, P.E., Division Manager
Joseph E. Jason, P.E., Civil Engineer
(602) 506-6666
TTN (602) 506-6704
FAX (602) 506-6925Maricopa County Environmental Services Department
Water and Waste Management Division**CERTIFICATE OF APPROVAL TO CONSTRUCT**

PROJECT DESCRIPTION to serve: Raw Water Supply Facilities for the Villages at Desert Hills. The purpose of the project is to deliver raw water from the Central Arizona Project to the Villages at Desert Hills, a Del Webb master-planned community. The project will consist of an intake structure on the Waddell Canal, an adjacent pumping plant, approximately 8 1/2 miles of 30 inch diameter pretensioned concrete cylinder pipe, and associated appurtenances. Water line quantities: 46,300 L.F. of 30 inch pipe. Sec. 4, T5N, R1E -Sec.'s 23, 24, 26, 27, 33 & 34, T6N, R1E, and Sec.'s 19, 20, 21, and 22, T6N, R1E.

MCESD #970743

Location: City of Phoenix
City or Town (nearest)Maricopa
County**PROJECT OWNER:** Del Webb, 14901 N. Scotts. Rd., #200, Scotts., AZ 85254
Mailing Address

Pursuant to AAC Title 18: Chapter 4, Article 5; or Chapter 9, Article 8; and Maricopa County Environmental Health Code Chapters II or V.

Approval to construct the above-described facilities as represented in the approved plan documents on file with the Maricopa County Environmental Services Department is hereby given subject to the following provisions: None

If construction has not started within one year of the date of this issuance, this Certificate will be void and a written extension of time shall be required.

Date Approved: November 17, 1997

WATER & WASTE MANAGEMENT DIV.

by: Joseph E. Jason
Joseph E. Jason, P.E., Civil Engineercc: Owner - The Villages at Desert Hills/Del Webb
Engineer - Bookman - Edmonston Engineering
AZ. Corp. Commission
MCESD/Water/WasteWater Program
ADEQ

ENVIRONMENTAL SERVICES
DEPARTMENT

RECEIVED

Albert F. Brown, R.S. MPA, Director

1001 N. Central Ave., Suite 150
Phoenix, AZ 85004



WATER AND WASTE MANAGEMENT
DIVISION

John A. Power, P.E., Division Manager
Joseph E. Jason, P.E., Civil Engineer
(602) 506-6666
TTN (602) 506-6704
FAX (602) 506-6925

Maricopa County Environmental Services Department
Water and Waste Management Division

CERTIFICATE OF APPROVAL TO CONSTRUCT

PROJECT DESCRIPTION: 1.7 mg potable water underground concrete storage facility and potable water pump. Project Name: The Villages at Desert Hills. Sections 24, 25, 26, T7N, R2E

MCESD #971477 - Reservoir, #971478 - Pump Station

Location: **New River**
City or Town (nearest)

Maricopa
County

PROJECT OWNER: Citizens Water Resources Company of Arizona
14245 W. Bell Rd., Surprise, AZ 85374

Pursuant to AAC Title 18: Chapter 4, Article 5; or Chapter 9, Article 8; and Maricopa County Environmental Health Code Chapters II or V.

Approval to construct the above-described facilities as represented in the approved plan documents on file with the Maricopa County Environmental Services Department is hereby given subject to the following provisions: **None**

If construction has not started within one year of the date of this issuance, this Certificate will be void and a written extension of time shall be required.

Date Approved: July 15, 1998

WATER & WASTE MANAGEMENT DIV.

by: Joseph E. Jason
Joseph E. Jason, P.E., Civil Engineer

cc: Water Co. - Citizens Water Resources
Engineer - Stanley Consultants, Inc.
AZ Corp. Commission
MCESD/Water/WasteWater Program
ADEQ

ENVIRONMENTAL SERVICES
DEPARTMENT

Albert F. Brown, R.S., MPA, Director

1001 N. Central Ave., Suite 150
Phoenix, AZ 85004

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MAY - 8 1998

STANLEY CONSULTANTS

WATER AND WASTE MANAGEMENT
DIVISIONJohn A. Power, P.E., Division Manager
Joseph E. Jason, P.E., Civil Engineer(602) 508-8868
TTN (602) 508-8704
FAX (602) 508-8825Maricopa County Environmental Services Department
Water and Waste Management Division

CERTIFICATE OF APPROVAL TO CONSTRUCT

PROJECT DESCRIPTION: The installation of water, sewer and effluent re-use lines to serve Phase 1A of the Villages development located approximately 15 miles north of Phoenix. Waterline quantities: 14,534 L.F. - 24 inch, 11,565 L.F. - 16 inch, 3,742 L.F. - 12 inch. Sewer line quantities: 100 L.F. - 24 inch, 9,109 L.F. - 18 inch, 390 L.F. - 15 inch, 4,317 - 10 inch, 1,527 L.F. - 8 inches. Effluent ReUse lines: 14,445 L.F. - 18 inch, 20,035 L.F. - 12 inch, 6,617 L.F. - 8 inch, 1315 L.F. - 6 inch, and 3,485 L.F. - 4 inch. Sec.'s 24, 25, and 26, T7N, R2E.

MCESD #971456(water) #971457 (sewer) and #971458 (effluent)

Location:

New River
City or Town (nearest)Maricopa
CountyPROJECT OWNER: Del Webb Corporation
14901 N. Scottsdale Rd., Scotts., AZ 85254

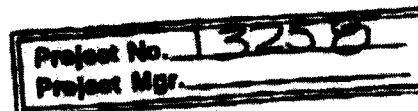
Pursuant to AAC Title 18: Chapter 4, Article 5; or Chapter 9, Article 8; and Maricopa County Environmental Health Code Chapters II or V.

Approval to construct the above-described facilities as represented in the approved plan documents on file with the Maricopa County Environmental Services Department is hereby given subject to the following provisions: None

If construction has not started within one year of the date of this issuance, this Certificate will be void and a written extension of time shall be required.

Date Approved: April 22, 1998

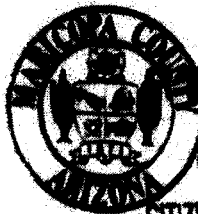
WATER & WASTE MANAGEMENT DIV.

by: Joseph E. Jason
Joseph E. Jason, P.E., Civil Engineercc: Water Co. - Citizens Water Resources Co. of AZ
Sewer Co. - Desert Hills
Engineer - Stanley Consultants
AZ Corp. Commission
MCESD/Water/WasteWater Program
ADEQ

ENVIRONMENTAL SERVICES
DEPARTMENT

Albert F. Brown, RS, MPA, Director

1001 North Central, Suite 150
Phoenix, Arizona 85004



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APR 01 1999

CITIZENS WATER RESOURCES

WATER AND WASTE MANAGEMENT
DIVISION

John A. Power, P.E., Division Manager

Joseph E. Jason, P.E., Program Manager

Senior Civil Engineer

(602) 506-6666

TTN(602)506-6704

FAX (602)506-5925

CERTIFICATE OF APPROVAL TO CONSTRUCT

PROJECT DESCRIPTION: Roadway infrastructure water and sewer improvements.
Waterline quantities: 3,482 L.F. - 12 inch, 225 L.F. - 8 inch. **Sewer line quantities:** 1,588 L.F. - 8 inch, and 62 L.F. - 6 inch. **Project Name:** The Anthem Phase 1A (formerly, The Villages at Desert Hills) Roadways F & G. Sec. 24, 25, 26, T7N, R2E.
MCESD# 980819 W & #980820 S

Location: New River
City or Town (nearest)

Maricopa
County

PROJECT OWNER: Del Webb Corporation,
14901 N. Scottsdale Rd., Scottsdale, AZ 85254

Pursuant to AAC Title 18: Chapter 4, Article 5; or Chapter 9, Article 8; and Maricopa County Environmental Health Code Chapters II or V.

Approval to construct the above-described facilities as represented in the approved plan documents on file with the Maricopa County Environmental Services Department is hereby given subject to the following provisions: **None**

If construction has not started within one year of the date of this issuance, this Certificate will be void and a written extension of time shall be required.

Date Approved: January 26, 1999

WATER & WASTE MANAGEMENT DIV.

by:

A handwritten signature in dark ink, appearing to read "J. E. Jason".

Joseph E. Jason, P.E., Civil Engineer

cc: Water Co. - Citizens Water Resources Company of AZ - Desert Hills
Sewer Co. - Citizens Water Resources Company of AZ - Desert Hills
Engineer - Stanley Consultants, Inc.
AZ. Corp. Commission
MCESD/Water/WasteWater Program
ADEQ

**MARICOPA COUNTY
ENVIRONMENTAL SERVICES
DEPARTMENT**



**WATER AND WASTE MANAGEMENT
1001 N. Central Ave., Ste 100
Phoenix, AZ 85004**

CERTIFICATE OF APPROVAL TO CONSTRUCT

RECEIVED

MAR 25 1999

CITIZENS WATER RESOURCES

PROJECT DESCRIPTION: Water Supply by: Citizens Utilities
Sewage Disposal by Citizens Utilities

TO SERVE: ANTHEM COUNTRY CLUB UNIT 1 - AMENDED - WINGATE RANGE

LOCATION: NEW RIVER, MARICOPA COUNTY

SUBDIVIDER: DEL WEBB

Approval to construct the above described facilities as represented in the approved plan documents on file with the Maricopa County Department of Environmental Services is hereby given subject to the following provisions:

Single family home final construction clearances (and therefore Purchase Agreement closings) will be held in abeyance pending acceptance by the Maricopa County Environmental Services Department of the construction of all phases of the Anthem Water and Wastewater Treatment Campus.

If construction has not started within one year of the date of this issue, this certificate will be void and a written extension of time shall be required.

Date Approved: March 11, 1999

WATER AND WASTE MANAGEMENT DIV.

By

A handwritten signature in cursive script, appearing to read "J. E. Jason", written over a horizontal line.

cc: Citizens Utilities

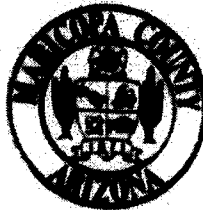
DEL WEBB

WOOD, PATEL & ASSOCIATES, INC.

ARIZONA CORPORATION COMMISSION

ADEC

JJ/em



CERTIFICATE OF APPROVAL TO CONSTRUCT

RECEIVED

MAR 25 1999

CITIZENS WATER RESOURCES

PROJECT DESCRIPTION: Water Supply by: Citizens Utilities
Sewage Disposal by Citizens Utilities

TO SERVE: ANTHEM COUNTRY CLUB UNIT 2 AMENDED- CYPRESS POINT

LOCATION: NEW RIVER, MARICOPA COUNTY

SUBDIVIDER: DEL WEBB

Approval to construct the above described facilities as represented in the approved plan documents on file with the Maricopa County Department of Environmental Services is hereby given subject to the following provisions:

Single family home final construction clearances (and therefore Purchase Agreement closings) will be held in abeyance pending acceptance by the Maricopa County Environmental Services Department of the construction of all phases of the Anthem Water and Wastewater Treatment Campus.

If construction has not started within one year of the date of this issue, this certificate will be void and a written extension of time shall be required.

Date Approved: March 11, 1999

WATER AND WASTE MANAGEMENT DIV.

By

A handwritten signature in cursive script, appearing to read "J. E. Jaron", written over a horizontal line.

cc: Citizens Utilities
DEL WEBB
WOOD, PATEL & ASSOCIATES
ARIZONA CORPORATION COMMISSION
ADEQ
JJ sm



CERTIFICATE OF APPROVAL TO CONSTRUCT

RECEIVED

MAR 25 1999

PROJECT DESCRIPTION: Water Supply by: Citizens Utilities
Sewage Disposal by: Citizens Utilities
TO SERVE: ANTHEM COUNTRY CLUB UNIT 3 - AMENDED- AUGUSTA
LOCATION: NEW RIVER, MARICOPA COUNTY
SUBDIVIDER: DEL WEBB

CITIZENS WATER RESOURCES

Approval to construct the above described facilities as represented in the approved plan documents on file with the Maricopa County Department of Environmental Services is hereby given subject to the following provisions:

Single family home final construction clearances (and therefore Purchase Agreement closings) will be held in abeyance pending acceptance by the Maricopa County Environmental Services Department of the construction of all phases of the Anthem Water and Wastewater Treatment Campus.

If construction has not started within one year of the date of this issue, this certificate will be void and a written extension of time shall be required.

Date Approved: March 11, 1999

WATER AND WASTE MANAGEMENT DIV

By

A handwritten signature in black ink, appearing to read "J. E. Jansen", written over a horizontal line.

cc: Citizens Utilities
DEL WEBB
WOOD, PATEL & ASSOCIATES, INC.
ARIZONA CORPORATION COMMISSION
ADEQ
JJ/em

**MARICOPA COUNTY
ENVIRONMENTAL SERVICES
DEPARTMENT**



WATER AND WASTE MANAGEMENT
1001 N. Central Ave., Ste 100
Phoenix, AZ 85004

CERTIFICATE OF APPROVAL TO CONSTRUCT

RECEIVED

MAR 25 1999

PROJECT DESCRIPTION: Water Supply by: Citizens Utilities
Sewage Disposal by Citizens Utilities

CITIZENS WATER RESOURCES

TO SERVE: ANTHEM COUNTRY CLUB UNIT 4 AMENDED COG HILL

LOCATION: NEW RIVER, MARICOPA COUNTY

SUBDIVIDER: ANTHEM ARIZONA, L.L.C.

Approval to construct the above described facilities as represented in the approved plan documents on file with the Maricopa County Department of Environmental Services is hereby given subject to the following provisions:

Single family home final construction clearances (and therefore Purchase Agreement closings) will be held in abeyance pending acceptance by the Maricopa County Environmental Services Department of the construction of all phases of the Anthem Water and Wastewater Treatment Campus.

If construction has not started within one year of the date of this issue, this certificate will be void and a written extension of time shall be required.

Date Approved: March 11, 1999

WATER AND WASTE MANAGEMENT DIV.

By

A handwritten signature in black ink, appearing to read "J.E. Larson", written over a horizontal line.

cc: Citizens Utilities
ANTHEM ARIZONA, L.L.C.
WOOD, PATEL & ASSOCIATES, INC.
ARIZONA CORPORATION COMMISSION
ADEQ
JW sm

**MARICOPA COUNTY
ENVIRONMENTAL SERVICES
DEPARTMENT**



**WATER AND WASTE MANAGEMENT
1001 N. Central Ave., Ste 100
Phoenix, AZ 85004**

CERTIFICATE OF APPROVAL TO CONSTRUCT

RECEIVED

MAR 25 1999

PROJECT DESCRIPTION: **Water Supply by: Citizens Utilities Co.**
 Sewage Disposal by Citizens Utilities

CITIZENS WATER RESOURCES

TO SERVE: ANTHEM COUNTRY CLUB UNIT 5 - CROOKED STICK

LOCATION: NEW RIVER, MARICOPA COUNTY

SUBDIVIDER: DEL WEBB

Approval to construct the above described facilities as represented in the approved plan documents on file with the Maricopa County Department of Environmental Services is hereby given subject to the following provisions:

Single family home final construction clearances (and therefore Purchase Agreement closings) will be held in abeyance pending acceptance by the Maricopa County Environmental Services Department of the construction of all phases of the Anthem Water and Wastewater Treatment Campus.

If construction has not started within one year of the date of this issue, this certificate will be void and a written extension of time shall be required.

Date Approved: March 11, 1999

WATER AND WASTE MANAGEMENT DIV

By

A handwritten signature in cursive script, appearing to read "J. E. Jason", written over a horizontal line.

cc: **Citizens Utilities Co.**

DEL WEBB

WOOD, PATEL & ASSOCIATES, INC.

ARIZONA CORPORATION COMMISSION

ADEQ

JJ/ sm

**MARICOPA COUNTY
ENVIRONMENTAL SERVICES
DEPARTMENT**



**WATER AND WASTE MANAGEMENT
1001 N. Central Ave., Ste 100
Phoenix, AZ 85004**

CERTIFICATE OF APPROVAL TO CONSTRUCT

RECEIVED

MAR 25 1999

PROJECT DESCRIPTION: Water Supply by: Citizens Utilities
Sewage Disposal by: Citizens Utilities
TO SERVE: ANTHEM COUNTRY CLUB UNIT 6 - AMENDED- PLEASANT VALLEY
LOCATION: NEW RIVER, MARICOPA COUNTY
SUBDIVIDER: DEL WEBB
CITIZENS WATER RESOURCES

Approval to construct the above described facilities as represented in the approved plan documents on file with the Maricopa County Department of Environmental Services is hereby given subject to the following provisions:

Single family home final construction clearances (and therefore Purchase Agreement closings) will be held in abeyance pending acceptance by the Maricopa County Environmental Services Department of the construction of all phases of the Anthem Water and Wastewater Treatment Campus.

If construction has not started within one year of the date of this issue, this certificate will be void and a written extension of time shall be required.

Date Approved: March 11, 1999

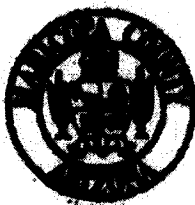
WATER AND WASTE MANAGEMENT DIV

By

A handwritten signature in cursive script, appearing to read "J. E. Jason", written over a horizontal line.

cc: Citizens Utilities
DEL WEBB
WOOD, PATEL & ASSOCIATES
ARIZONA CORPORATION COMMISSION
ADEQ
JJ/ sm

MARICOPA COUNTY
ENVIRONMENTAL SERVICES
DEPARTMENT



Coventry
WATER AND WASTE MANAGEMENT
1001 N. Central Ave., Ste 100
Phoenix, AZ 85004

CERTIFICATE OF APPROVAL TO CONSTRUCT

PROJECT DESCRIPTION: Water Supply by: Citizens Water Resources
Sewage Disposal by Citizens Water Resources

TO SERVE: ANTHEM UNIT 1

LOCATION: NEW RIVER, MARICOPA COUNTY

SUBDIVIDER: ANTHEM ARIZONA L.L.C.

Approval to construct the above described facilities as represented in the approved plan documents on file with the Maricopa County Department of Environmental Services is hereby given subject to the following provisions:

Single family home final construction clearances (and therefore Purchase Agreement closings) will be held in abeyance pending acceptance by the Maricopa County Environmental Services Department of the construction of all phases of the Anthem Water and Wastewater Treatment Campus.

If construction has not started within one year of the date of this issue, this certificate will be void and a written extension of time shall be required.

Date Approved: March 11, 1999

WATER AND WASTE MANAGEMENT DIV.

By *JE. Jason*

cc: Citizens Water Resources
ANTHEM ARIZONA L.L.C.
STANLEY CONSULTANTS, INC.
ARIZONA CORPORATION COMMISSION
ADSO
JJ/m

MARICOPA COUNTY
ENVIRONMENTAL SERVICES
DEPARTMENT



Coventry
WATER AND WASTE MANAGEMENT
1001 N. Central Ave., Ste 100
Phoenix, AZ 85004

CERTIFICATE OF APPROVAL TO CONSTRUCT

PROJECT DESCRIPTION: Water Supply by: Citizens Water Resources *PWS #04-07-504*
Sewage Disposal by Citizens Water Resources

TO SERVE: ANTHEM UNIT 2

LOCATION: MARICOPA COUNTY, MARICOPA COUNTY

SUBDIVIDER: ANTHEM ARIZONA, L.L.C.

Approval to construct the above described facilities as represented in the approved plan documents on file with the Maricopa County Department of Environmental Services is hereby given subject to the following provisions:

Single family home final construction clearances (and therefore Purchase Agreement closings) will be held in abeyance pending acceptance by the Maricopa County Environmental Services Department of the construction of all phases of the Anthem Water and Wastewater Treatment Campus.

If construction has not started within one year of the date of this issue, this certificate will be void and a written extension of time shall be required.

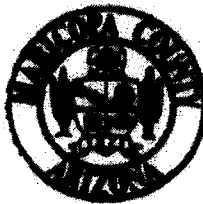
Date Approved: March 11, 1999

WATER AND WASTE MANAGEMENT DIV.

By *JE Jaron*

cc: Citizens Water Resources
ANTHEM ARIZONA, L.L.C.
STANLEY CONSULTANTS
ARIZONA CORPORATION COMMISSION
ADEQ
JJ mt

MARICOPA COUNTY
ENVIRONMENTAL SERVICES
DEPARTMENT



Coventry
WATER AND WASTE MANAGEMENT
1001 N. Central Ave., Ste 100
Phoenix, AZ 85004

CERTIFICATE OF APPROVAL TO CONSTRUCT

PROJECT DESCRIPTION: Water Supply by: Citizens Water Resources
Sewage Disposal by: Citizens Water Resources

PWS #04-07-50

TO SERVE: ANTHEM UNIT 3

LOCATION: MARICOPA COUNTY, MARICOPA COUNTY

SUBDIVIDER: ANTHEM ARIZONA, L.L.C.

Approval to construct the above described facilities as represented in the approved plan documents on file with the Maricopa County Department of Environmental Services is hereby given subject to the following provisions:

Building permits will be held in abeyance pending acceptance by the Maricopa County Environmental Services Department of the construction of the Anthem wastewater effluent reuse and recharge projects.

If construction has not started within one year of the date of this issue, this certificate will be void and a written extension of time shall be required.

Date Approved: February 23, 1999

WATER AND WASTE MANAGEMENT DIV.

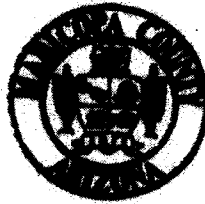
By

Joseph E. Jason

cc: Citizens Water Resources
ANTHEM ARIZONA, L.L.C.
STANLEY CONSULTANTS, INC
ARIZONA CORPORATION COMMISSION
ADEQ
JJH

Post-It® Fax Note	7871	Date	6/10	# of pages	2
To	<i>Steven Bunkin</i>	From	<i>M. T. Taylor</i>		
Co./Dept.	<i>City</i>	Co.			
Phone #		Phone #			
Fax #	<i>583-1679</i>	Fax #			

**MARICOPA COUNTY
ENVIRONMENTAL SERVICES
DEPARTMENT**



WATER AND WASTE MANAGEMENT
1001 N. Central Ave., Ste 100
Phoenix, AZ 85004

(Coventry)

CERTIFICATE OF APPROVAL TO CONSTRUCT

PROJECT DESCRIPTION: Water Supply by: Citizens Water Resources
Sewage Disposal by: Citizens Water Resources

TO SERVE: ANTHEM UNIT 4

LOCATION: MARICOPA COUNTY, MARICOPA COUNTY

SUBDIVIDER: ANTHEM ARIZONA, L.L.C.

Approval to construct the above described facilities as represented in the approved plan documents on file with the Maricopa County Department of Environmental Services is hereby given subject to the following provisions:

Single family home final construction clearances (and therefore Purchase Agreement closings) will be held in abeyance pending acceptance by the Maricopa County Environmental Services Department of the construction of all phases of the Anthem Water and Wastewater Treatment Campus.

If construction has not started within one year of the date of this issue, this certificate will be void and a written extension of time shall be required.

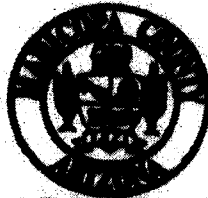
Date Approved: March 11, 1999

WATER AND WASTE MANAGEMENT DIV.

By *JE Jason*

cc: Citizens Water Resources
ANTHEM ARIZONA, L.L.C.
STANLEY CONSULTANTS
ARIZONA CORPORATION COMMISSION
ADEQ
JH:BN

MARICOPA COUNTY
ENVIRONMENTAL SERVICES
DEPARTMENT



Coventry

WATER AND WASTE MANAGEMENT
1001 N. Central Ave., Ste 100
Phoenix, AZ 85004

NJ. 777 P333

CERTIFICATE OF APPROVAL TO CONSTRUCT

PROJECT DESCRIPTION: Water Supply by: Citizens Water Resources PWS #04-07-504
Sewage Disposal by Citizens Water Resources

TO SERVE: ANTHEM UNIT 6

LOCATION: MARICOPA COUNTY, MARICOPA COUNTY

SUBDIVIDER: DEL WEBB'S COVENTRY HOMES CONSTRUCTION

Approval to construct the above described facilities as represented in the approved plan documents on file with the Maricopa County Department of Environmental Services is hereby given subject to the following provisions:

Single family home final construction clearances (and therefore Purchase Agreement closings) will be held in abeyance pending acceptance by the Maricopa County Environmental Services Department of the construction of all phases of the Anthem Water and Wastewater Treatment Campus.

If construction has not started within one year of the date of this issue, this certificate will be void and a written extension of time shall be required.

Date Approved: April 20, 1999

WATER AND WASTE MANAGEMENT DIV.

By *JF. Jason*

cc: Citizens Water Resources PWS #04-07-504
DEL WEBB'S COVENTRY HOMES CONSTRUCTION
STANLEY CONSULTANTS
ARIZONA CORPORATION COMMISSION
ADEQ
JLH:W

RECEIVED

JUN 16 1999

CITIZENS
PHOENIX ADM. OFFICE

BEFORE THE BOARD OF SUPERVISORS

OF

MARICOPA COUNTY, STATE OF ARIZONA

IN THE MATTER OF THE APPLICATION OF)

Citizens Water Services Company)
of Arizona (DistCo))

and)

Citizens Water Resources Company)
of Arizona (TreatCo))

FRANCHISE

FOR A FRANCHISE

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF MARICOPA COUNTY, STATE OF ARIZONA, THAT:

WHEREAS, Citizens Water Services Company of Arizona (DistCo) and Citizens Water Resources Company of Arizona (TreatCo) hereinafter designated as the Grantee, doing business in Maricopa County, Arizona, bearing date of April 7, 1999, praying for the right, privilege, license and franchise to construct, maintain and operate (DistCo) 1) a domestic water utility distribution system, consisting of pipelines, meters, service connections and all necessary facilities and equipment, and 2) a wastewater collection utility system consisting of all lines, connections, manholes and necessary equipment and facilities; and (TreatCo) for a public utility franchise to construct, maintain and operate 1) a domestic water treatment facility and distribution system, consisting of a domestic water treatment plant, pipelines, service connections and all necessary facilities and equipment, 2) a wastewater treatment facility and distribution system, consisting of a wastewater treatment plant, all lines, connections, manholes and necessary equipment and facilities, and 3) a non-potable water utility distribution system, consisting of a nine-mile pipeline which will transport water from the Central Arizona Project canal to the TreatCo treatment facility, other pipelines, service connections and all necessary facilities and equipment to serve DistCo., and others in Arizona, for a period not to exceed twenty-five (25) years or for a period of one (1) year after the franchised area or a portion thereof is annexed by a municipality, whichever is shorter, for Citizens Water Services Company of Arizona (DistCo) and Citizens Water Resources Company of Arizona (TreatCo), along, upon, under and across public highways, roads, alleys and thoroughfares (excepting State Highways), within that portion of Maricopa County, Arizona, known and described as follows, to-wit:

Township 6 North, Range 2 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

That portion of the south half of Section 10, Township 6 North, Range 2 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, lying East of the following described line:

BEGINNING at the South quarter corner of said Section 10, thence N 89°57'37" W, 386.41 feet to the TRUE POINT OF BEGINNING;

Thence N 00°02'24" E, 134.86 feet; thence N 36°03'41" W, 347.65 feet; thence N 22°09'46" W, 313.21 feet; thence N 06°10'48" W, 800.06 feet; thence S 84°32'17" W, 16.00 feet; thence N 05° 27'50" W, 500.00 feet; thence N 84°32'13" E, 25.00 feet; thence N 05°27'50" W, 250.00 feet; thence S 84°32'13" W, 25.00 feet; thence N 05°27'50" W, 386.08 feet to a point on the North line of the South half of said Section 10, and the end of this line description;

All of Section 13;

All of Section 14;

All of Section 15, Township 6 North, Range 2 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, lying East of the following described line;

BEGINNING at the South quarter corner of said Section 15, thence N 89°55'32" E, 461.05 feet to the TRUE POINT OF BEGINNING.

Thence N 05°21'40" W, 1,170.24 feet; thence N 22°13'05" W, 1,601.04 feet; thence N 89°57'37" W, 447.67 feet; thence N 05°21'40" W, 1,425.62 feet; thence N 06°30'25" W, 500.10 feet; thence N 24°39'04" W, 211.90 feet; thence N 36°45'24" W, 397.78 feet; thence 00°09'20" E, 210.00 feet to a point on the North line of said Section 15, and the end of this line description;

All of Section 22, Township 6 North, Range 2 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, lying East of the following described line;

BEGINNING at the South quarter corner of said Section 22, thence N 89°51'39" E, 66.53 feet to the TRUE POINT OF BEGINNING;

Thence N 08°33'50" E, 274.43 feet; thence along the arc of a curve to the left, having a radius of 7,843.72 feet, a distance of 1,906.31 feet; thence N 05°21'40" W, 340.28 feet; thence N 12°19'44" E, 1,994.30 feet; thence N 05°21'40" W, 829.76 feet to a point on the North line of said Section 22, and the end of this line description;

All of Section 23;

All of Section 24;

All of Section 27, Township 6 North, Range 2 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, lying East of the following described line;

BEGINNING at the South quarter corner of said Section 27, thence N 89°49'29" W, 9.04 feet to the TRUE POINT OF BEGINNING;

Thence along a non-tangent curve concave to the East with a tangent bearing N 11°35'40" W and a radius of 11,255.16 feet, a distance of 3,959.89 feet through a central angle of 20°09'30"; thence N 08°33'50" E, 1,342.42 feet to a point on the North line of said Section 27, and the end of this line description;

Township 6 North, Range 3 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona;

All of Section 18;

EXCEPT the Northeast quarter of the Northeast quarter of said Section 18;

All of Section 19.

and not within the confines of any incorporated city or town, and under such restrictions and limitations and upon such terms as the Board of Supervisors may provide, not inconsistent with the laws of the State of Arizona, or the orders and rules of the Corporation commission of the State of Arizona, and that the Board take such proceedings herein as is provided by laws of the State of Arizona; and

WHEREAS, upon filing said application, the said Board of Supervisors on the 8th day of March, 1999, ordered that public notice of the intention of said Board to make such grants be given by publishing a notice in the official newspaper of Maricopa County, published in the County of Maricopa, State of Arizona, and that 9:00 a.m., on the 7th day of April, 1999 at the meeting room of said Board of Supervisors located at 205 West Jefferson Street, in the City of Phoenix, Arizona, be set as the time and place of hearing the said application; and

WHEREAS, the said application coming on regularly for hearing on said day and it appearing by the affidavit of the duly authorized agent of the said time and place set for the consideration of such application has been published for at least once a week for the three-week period prior to said date set forth herein, to-wit:

In the issues of the said newspaper on March 12, 19, and 26, 1999, and it appearing that no sufficient protest has been filed by the qualified electors of the said County petitioning said Board of Supervisors to deny such license and franchise, and it further appearing the best interests of Maricopa County will be served by the granting of said application and the franchise referred to therein;

NOW, THEREFORE, the Board of Supervisors of Maricopa County, State of Arizona, acting on behalf of said County does hereby grant unto Citizens Water Services Company of Arizona (DistCo) and Citizens Water Resources Company of Arizona (TreatCo), doing business in Maricopa County, Arizona, subject to the terms, conditions and limitations hereinafter contained, the right, privilege, license and franchise to construct, maintain and operate (DistCo) 1) a domestic water utility distribution system, consisting of pipelines, meters, service connections and all necessary facilities and equipment, and 2) a wastewater collection utility system consisting of all lines, connections, manholes and necessary equipment and facilities; and (TreatCo) for a public utility franchise to construct, maintain and operate 1) a domestic water treatment facility and distribution system, consisting of a domestic water treatment plant, pipelines, service connections and all necessary facilities and equipment, 2) a wastewater treatment facility and distribution system, consisting of a wastewater treatment plant, all lines, connections, manholes and necessary equipment and facilities, and 3) a non-potable water utility distribution system, consisting of a nine-mile pipeline which will transport water from the Central Arizona Project canal to the TreatCo treatment facility, other pipelines, service connections and all necessary facilities and equipment to serve DistCo., and others in Arizona, for a period of not to exceed twenty-five (25) years or for a period of one (1) year after the franchised area is annexed by a municipality, whichever is shorter, for the supplying of these services along, upon, under and across the public highways, roads, alleys and thoroughfares (excepting State highways) within that portion of Maricopa County, Arizona, hereinabove described, under such restrictions and limitations and upon such terms as this Board at any time may provided, not inconsistent with the laws of the State of Arizona, or the orders and rules of the Corporation Commission of the State of Arizona, specifically providing, however, that:

- 1) All rights hereunder are granted under the express condition that the Board of Supervisors of said Maricopa County shall have the power at any time to impose such restrictions and limitations and to make such regulations on such highways, roads, and thoroughfares as may be deemed best for the public safety, health, welfare and convenience.
- 2) All rights hereby granted shall be exercised so as to not interfere or conflict with any easements or rights-of-way heretofore granted by said Board of Supervisors and now in force.
- 3) All rights hereby granted shall be exercised so as not to interfere or conflict with any easement, either public or private, of whatsoever nature, which has been acquired in or to the proper use of said highway, roads, and thoroughfares, or any portion thereof.
- 4) All rights hereby granted shall be exercised so as not to interfere or conflict with or endanger in any way the proper use by the public of said highways, roads, and thoroughfares, or any portion thereof.
- 5) That the said Grantee shall bear all expenses incurred including damages and compensation for the alteration of the course, direction, surface, grade or alignment of any of the said highways, roads and thoroughfares necessarily made by the said grantee for the purpose of this franchise; that said grantee will maintain his equipment from time to time as may be needed, without the necessity of notice from Maricopa County. In the event the said grantee shall fail to make any repairs within ten days from the time same becomes necessary, then Maricopa County may cause the same to be made, and said grantee agrees to pay Maricopa County the cost thereof.
- 6) That all property of the franchise be installed and operated by the said grantee and shall be placed, removed or relocated, initially and throughout the term of this franchise, along, in, over, under and across the said highway, roads and thoroughfares, in such a manner and location as the Board of Supervisors or its duly authorized agents may designate. Such placement, removal or relocation shall be done at the sole expense of the grantee upon a determination by the Board of Supervisors of Maricopa County that such placement, removal or relocation is necessary.

If the grantee fails or refuses to so remove or relocate, Maricopa County may so remove or relocate, at the sole expense of grantee, such expense to include any and all damages and compensation of whatsoever nature arising therefrom.

In this section the term "property" includes conduits, pipe, wires, poles, or other structures and appliances used to supply or deal in gas, electricity, lights, water, heat, refrigeration, power, telephones, telegraph, television and other public utilities.

Any finding or determination made by the Board of Supervisors pursuant hereto shall be final and binding upon the grantee whether or not such findings or determinations relates to the requirements of public safety or welfare, the use of public roads or the need for proposed

improvements, and whether or not the function to be served by such removal or relocation is of a governmental or proprietary nature.

- 7) That said grantee shall indemnify and save harmless, the said County of Maricopa from all costs, expense and liabilities in connection with the granting of this franchise and exercise of the same by them.
- 8) That the rights of any person claiming to be injured in any manner by the maintenance of said projects and equipment shall not be affected hereby.
- 9) That the terms and conditions of this franchise shall inure to the benefit of, and be binding upon, all the heirs and assigns of the said Grantee.
- 10) That the franchise and privilege herein granted shall not be deemed to be exclusive and the said Board of Supervisors hereby expressly reserves the right and power to grant from time to time similar franchises and privileges over the same territory and highways, roads and thoroughfares.
- 11) This franchise is granted upon the express condition that the Certificate of Convenience and Necessity be procured from the Corporation Commission of the State of Arizona and the Certificate of Assured Water Supply be procured from the Arizona Department of Water Resources and proof thereof submitted to the Board of Supervisors within six months from the date of granting of this franchise; and if such Certificates are not granted within six months from said date, then this franchise to be void, otherwise to be in full force and effect for the time herein specified.
- 12) All materials and construction methods used with the public right-of-way shall conform to the applicable standards, specifications and special provisions currently in effect in Maricopa County.
- 13) The Franchise holder shall obtain a construction permit from the Office of the County Engineer prior to construction of any facilities in the public right-of-way.

DATED this 7th day of April, 1999.


Chairman, Board of Supervisors

ATTEST:


Clerk, Board of Supervisors